

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463.

James M. Jordan, Treasurer Democratic Senatorial Campaign Committee 430 South Capitol Street, SE Washington, DC 20003

APR 2 4 2002

Identification Number:

C00042366

Reference:

November Monthly Report (10/1/01-10/31/01) and Amended

November Monthly Report (10/1/01-10/31/01), dated 1/31/02

Dear Mr. Jordan:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 17 of your report discloses a payment from A.B. Data LTD (pertinent portion(s) attached). It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR 100.7(a)(1)(iii)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)